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WESTERN PROCESSING SITE TRUST AGREEMENT II

Amended and Fully Restated  
August 25, 1986

USEPA SF



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## WESTERN PROCESSING SITE TRUST AGREEMENT II

AGREEMENT, made as of this 30th day of June, 1986, and amended and fully restated as of the 25th day of August, 1986, by and between the parties listed in Exhibit A hereto (the "Donors"); The Boeing Company (who together with any others selected under Section 3.01 are referred to as the "Corporate Trustees") and the Seattle-First National Bank (the "Financial Trustee").

WHEREAS, the Donors have executed a Consent Decree with the United States of America and the State of Washington for cleanup of the subsurface of the Western Processing Site at Kent, Washington; and

WHEREAS, within twenty-one (21) days of the entry of said Consent Decree the Donors shall begin to deliver to the Financial Trustee pursuant to Paragraph 2.01 of this Agreement the property described in Exhibit B, annexed hereto, and by reference made a part hereof; and

WHEREAS, the Donors desire that such property constitute a Trust Fund, to be held by the Financial Trustee and administered at the direction of the Corporate Trustees in the manner and for the purposes hereinafter set forth; and

WHEREAS, the United States and the State of Washington have reviewed the terms of this Trust Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein the parties hereto agree as follows:

### FIRST: PURPOSE AND NAME

1.01: TRUST FUND PURPOSE. The purpose of this Trust is to provide funds for property and services necessary to satisfy the obligations of the Consenting Defendants (sometimes also referred to herein as "Donors") under the Consent Decree, which Donors have executed, in United States of America v. Western Processing, et al., Civil Action No. C83-252M (W.D. WA), and to carry out on behalf of the Consenting Defendants, as that term is defined in the Consent Decree, all of the Consenting Defendants' obligations under the Consent Decree. Hence, the Donors are the beneficiaries of this Trust. To fulfill this purpose, the Corporate Trustees will thoroughly familiarize themselves with the terms of the Consent Decree and will take, within their power, all

actions necessary to ensure that the Consent Decree is fully-effectuated.

1.02: NAME OF TRUST. The funds received by the Financial Trustee from the Donors together with the proceeds and reinvestments thereof shall be known as the Western Processing Site Trust Fund II.

SECOND: DISPOSITIVE PROVISIONS.

2.01: TRUST ESTATE AND DONORS' OBLIGATIONS.

(a) The Trust Estate shall consist of the funds delivered by the Donors to the Financial Trustee for the above stated purposes and all interest and income earned on such funds. Each Donor shall deliver to the Trust Fund the total payment allocated to it as set forth in Exhibit B.

(b) Each Donor shall make the total payment allocated to it according to the following schedule:

| <u>Portion of Total Allocation</u> | <u>Schedule in Time After Entry of the Decree</u> |
|------------------------------------|---|
| 25%                                | 21 days   |
| 15%                                | 3 months  |
| 10%                                | 6 months  |
| 10%                                | 12 months   |
| 10%                                | 24 months   |
| 15%                                | 36 months   |
| 15%                                | 48 months   |

Upon thirty (30) days notice to Donors, the Corporate Trustees may adjust any part of this payment schedule, but only as necessary in order to satisfy the purposes of the Trust as set forth in Section 1.01.

(c) Credits and Adjustments. First, a Donor who was a signatory to the May 15, 1986 stipulation between the Governments and certain Donors shall receive a credit in the amount of his payment under that stipulation, which credit shall be applied by reducing the payments owed under the preceding paragraph. Second, Donors shall receive a credit in the amount of their contributions pursuant to that certain

stipulation for a Subsurface Test Program at the Western Processing Site which was executed by Donors at the same time as initial execution of this Trust Agreement. Third, the Boeing Company shall receive a credit in the amount of \$1,417,000 for its prior payments to technical design consultants (Dames & Moore and H. Landau and Associates) in connection with their work regarding the subsurface cleanup of the Western Processing Site. Fourth, Donors shall receive a credit (or a debit in the case of The Boeing Company) to represent the "Phase I benefit" that results from the volumetric allocation agreed to herein by the Donors. These credits (or debit) shall be applied against the initial payment owed under the preceding paragraph. The Corporate Trustees shall determine the amount of all such credits and reflect such credits on Exhibit B. For purposes of any distributions from this Trust Fund, contributions to the Trust Fund shall include (i) payments actually made under Sections 2.01(b) and 2.03, as adjusted for the previously described "Phase I benefit" and (ii) all credits under the first three sentences of this paragraph.

(d) Each Donor who was not a donor to the trust agreement to fund the surface cleanup ("Phase I") of the Western Processing Site agrees, as a condition to signing the Consent Decree, to (i) pay this Trust Fund within twenty-one (21) days of entry of the Consent Decree the amount allocated to it as set forth in Exhibit C and (ii) sign the Partial Consent Decree regarding Phase I. The payment shown on Exhibit C reflects the Donor's allocation of Phase I trust fund requirements, as increased by 20% to cover the aggregate interest cost between the time when other Donors paid into the Phase I trust fund and the anticipated payment time under this provision. The Corporate Trustees shall direct the Financial Trustee to transfer all funds received under this provision to the Phase I trust fund. For purposes of any refund that may be made from the Phase I trust fund, the payment less the 20% interest adjustment shall be treated as the contribution from such Donor. For purposes of any distribution from this Trust Fund, the payment under this provision shall not be counted as a contribution to the Trust Fund.

(e) The failure of any Donor to make a payment required under this Agreement shall be a default of this Agreement. Each Donor agrees that if it is in default, it will pay interest at the rate of the twelve percent (12%) per annum on the amount in default and will pay all costs, including attorneys' fees, incurred by the Corporate Trustees in obtaining the payment in default.

2.02: PAYMENT OF INCOME AND PRINCIPAL. During the term of this Trust the Corporate Trustees shall use so much or all of the income and/or principal of the Trust Fund (income to be used first) as the Corporate Trustees shall deem necessary or advisable for the subsurface cleanup at the Western Processing Site, and to carry out all of the other obligations of the Donors under and in accordance with the terms of the Consent Decree.

2.03: ADDITIONS TO TRUST ESTATE. Consistent with Paragraph V.C. of the Consent Decree, the Corporate Trustees shall have the authority to ensure that the Trust has sufficient assets to assure the uninterrupted progress and timely completion of the work required under the Consent Decree. If additional amounts are needed, the Corporate Trustees shall make demand in writing upon the Donors for additional contributions to this Trust in amounts determined by the Corporate Trustees as necessary to keep this Trust in effect to satisfy the purpose of this Trust as set forth in Section 1.01. When such calls for additional payments are made, each Donor's contribution shall be in equal proportion to the total payment allocated to it as set forth in Exhibit B. Each Donor agrees to satisfy all such future calls upon them for contribution to the Trust Fund within thirty (30) days of receipt of such written demand.

2.04: NO TRANSFERABILITY OF INTEREST IN THE TRUST. The interest of the Donors in the Trust, and their obligation to provide funds under Section 2.03, is not transferable, except to a successor in interest.

2.05: TERMINATION OF TRUST. The term of this Trust shall begin upon lodging of the Consent Decree with the court and shall terminate either if the Consent Decree is not entered by the court or upon completion of all work required under the Consent Decree.

2.06: DISTRIBUTION OF TRUST FUND UPON TERMINATION. Upon termination of this Trust, the Corporate Trustees shall direct the Financial Trustee to liquidate the assets of the Trust and thereupon distribute the entire remaining Trust Fund, including all accrued, accumulated and undistributed net income, to the Donors in proportion to their respective contributions to the Trust Fund during the term of the Trust. If any Donor, or its successor, cannot be located within thirty (30) days after the termination date after diligent effort, its share of the Trust shall be deemed to be waived, and the Financial Trustee, at the direction of the

Corporate Trustee, shall distribute that share to the remaining Donors in proportion to their respective contributions to the Trust Fund during the term of the Trust.

2.07: ALTERATIONS AND AMENDMENTS. At least two-thirds (2/3) of the Donors may, from time to time and at any time during the term of this Trust, alter or amend this Agreement, in whole or in part provided that no such amendment shall be effective without the written consent of the Financial Trustee, which consent shall not be unreasonably withheld. Such alteration or amendment must be in writing and be signed by the required number of Donors. The Corporate Trustees shall give notice of such actions to Donors as provided in Section 6.04. No such alteration or amendment, however, shall be effective if it interferes with the power or ability of the Corporate Trustees to effectuate the terms of the Consent Decree.

2.08: NO AUTHORITY TO CONDUCT BUSINESS. The purpose of this Trust is limited to the matters set forth in section 1.01 above. This Agreement shall not be construed to confer upon the Corporate Trustees any authority to conduct business. The object of this Trust is limited to the matters set forth in Section 1.01 above, specifically, and there is no objective to carry on any business or divide the gains therefrom.

### THIRD: TRUSTEES.

#### 3.01: DESIGNATION, QUALIFICATION, AND REPLACEMENT OF CORPORATE TRUSTEES.

(a) The Boeing Company is the Corporate Trustee referred to herein. Seattle-First National Bank is the Financial Trustee referred to herein. The original Trustees have been selected and approved by the Donors, through their execution of this Agreement.

(b) From time to time and at any time during the term of this Trust, (i) additional Corporate Trustees may be selected by a majority of all Donors and (ii) one additional Corporate Trustee may be selected by Donors making at least fifty percent (50%) of contributions by amount, excluding Boeing's contribution, to the Trust Fund. Such selection must be in writing and be signed by the required number or group of Donors. In no event, however, shall there be more than five (5) Corporate Trustees at any time.

(c) The representative of a Corporate Trustee shall be an employee, agent or designee of the Corporate Trustee,



provided that the representative shall be an individual and not a corporation or other legal entity. The representative of a Corporate Trustee may resign at any time upon providing sixty (60) days written notice of such resignation to all other Corporate Trustees and the resigning representative's Corporate Trustee. At any time during the term of this Trust, a Corporate Trustee shall have the right to remove its representative.

(d) Any representative of a Corporate Trustee shall cease to be a representative upon his death, resignation, removal adjudication as an incompetent, or at such time as he becomes unable to discharge the duties of Trustee. In any such event, the Corporate Trustee shall promptly appoint its successor representative and notify the other Corporate Trustees, the Donors, and the Financial Trustee of the change in representatives and the reason for the change.

(e) A Corporate Trustee may resign at any time upon providing ninety (90) days' notice of such resignation to all other Corporate Trustees, to the Donors, and to the Financial Trustee. A successor Corporate Trustee may be selected by a majority written vote of all Donors.

(f) In the event that a Corporate Trustee shall (i) become insolvent or admit in writing its insolvency, (ii) be unable or admit in writing its inability to pay its debts as they mature, (iii) make a general assignment for the benefit of creditors, (iv) have an involuntary petition in bankruptcy filed against it, or (v) in the status of a debtor commence a case under or otherwise seek to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law, statute, or proceeding, that company shall cease to act as Corporate Trustee, and a successor Corporate Trustee may be selected by a majority written vote of all Donors.

(g) Each additional and each successor Corporate Trustee shall qualify by a duly acknowledged acceptance of this Trust, delivered to the other Corporate Trustees, to the Financial Trustee, and to the Donors. Each additional and each successor Corporate Trustee shall have, from the time of their selection, all the rights, powers, duties and obligations herein granted to the original Corporate Trustee.

3.02: EXONERATION FROM BOND; INSURANCE. No bond or other security shall be required of any Corporate Trustee or of the Financial Trustee. The Corporate Trustees may acquire and have paid from the Trust Fund any accident, liability, or

other insurance that they may deem prudent in the administration of this Trust, including insurance protecting the Corporate Trustees themselves for liability to third persons or to any Donor.

3.03: COMPENSATION. The Corporate Trustees serving under this Trust Agreement may not receive compensation from the Trust Fund. The Financial Trustee is authorized to pay to itself from the Trust Estate reasonable compensation for services rendered in the administration of this Trust in accordance with the usual practice in the jurisdiction where this Agreement is executed after obtaining the approval of the Corporate Trustees, which approval shall be given forthwith after receiving the Financial Trustee's billing statements.

3.04: RULES OF PROCEDURE. The Corporate Trustees shall determine the rules by which they shall perform their duties, if the Corporate Trustees in their discretion decide such rules need to be adopted. Before adopting or revising any such rules, the Corporate Trustees will solicit comments on the proposed rules from the Donors committee established in Section 4.04. The Corporate Trustees may permit voting by proxy (which may be another Corporate Trustee or any representative of an absent Corporate Trustee, but the appointing Corporate Trustee shall not therefore be released from his obligations), meetings by telephone, and such other procedures as they shall decide in their discretion are appropriate. The Trustees shall also select from among themselves a chairman.

3.05: DECISIONS OF CORPORATE TRUSTEES. In all matters, except for those decisions made pursuant to Paragraph 4.07 herein, the decision of a majority of the Corporate Trustees shall control. However, no decision shall be made pursuant to this Paragraph without the concurrence of The Boeing Company. In the event of a deadlock among the Corporate Trustees, the controlling decision shall be that of those Corporate Trustees which include The Boeing Company.

3.06: TRANSACTIONS WITH THIRD PARTIES. No person or organization dealing with the Corporate Trustees hereunder shall be required to inquire into or to investigate their authority for entering into any transaction or to see to the application of the proceeds of any such transaction.

3.07: ACCOUNTS. The Corporate Trustees shall present an accounting to the Donors monthly. That account shall show the financial condition of the Trust Fund, including, without limitation, income and expenses of the Trust for

the month. Once each year, the accounts shall be prepared and audited by independent certified public accountants employed by the Corporate Trustees. Any Donor shall have the right to object to any of the Corporate Trustees' audited accounts. Any Donor desiring to object to the Corporate Trustees' accounts shall deliver notice of its objection to the Corporate Trustees in writing within ninety (90) days from the day the Corporate Trustees shall mail or deliver such audited accounts to the Donor. If no written objection is made within that time, the presentation of the account to the Donors shall release and discharge the Corporate Trustees with respect to all acts or omissions to the date of said annual account.

3.08: STANDARD OF CARE AND LIMITATION OF LIABILITY. Each Corporate Trustee shall exercise its powers and duties in accordance with the terms of this Trust and in the same manner as would a reasonably prudent trustee under the particular circumstances of the Consent Decree. In so doing, each Corporate Trustee will endeavor in good faith to see that the obligations of Donors under the Consent Decree are carried out in a cost effective manner and shall refrain both from intentionally promoting its self-interest to the detriment of other Donors and from committing acts of willful misconduct. Donors recognize that the Corporate Trustees must make decisions based on available information and in light of an evolving technology for cleaning up hazardous waste sites. On behalf of Donors, Corporate Trustees shall hire and rely upon independent contractors and consultants, who are professionally qualified to do the work required by the Consent Decree and to render expert advice on how best to accomplish the cleanup. However, Corporate Trustees cannot and do not guarantee the Donors that their decisions made will in this manner satisfy the requirements of the Consent Decree. No Corporate Trustee shall be held responsible to Donors for (a) the defaults, acts or omissions of any other Trustee, including prior Trustees, (b) the exercise or non-exercise of any ministerial powers or duties properly delegated pursuant to the provisions of Section 4.08 of this Agreement, or (c) any contract of, indebtedness of, or claim against the Trust Estate.

3.09: INDEMNITY OF CORPORATE TRUSTEES. Each Donor agrees that the Corporate Trustees may use the funds in the Trust to indemnify and hold harmless each of the Corporate Trustees from any and all liability arising out of this Trust and this Agreement excepting only such liability as may be imposed on a Corporate Trustee pursuant to Section 3.08 hereof. In the event a Corporate Trustee is sued for matters related to his service as Corporate Trustee, the Trust may,

in the discretion of the Corporate Trustees, be used to reimburse a Corporate Trustee for all or a portion of his expenses and costs of defending such suit, including reasonable attorneys fees, if the Corporate Trustee substantially prevails in the defense of the suit.

FOURTH: CORPORATE TRUSTEES' POWERS.

4.01: GENERAL POWERS OF CORPORATE TRUSTEES, INCLUDING RETENTION AND REMOVAL OF PROFESSIONAL AND EMPLOYEE SERVICES. The Corporate Trustees shall have the power to do any and all other acts which they shall deem proper to effectuate the powers and duties specifically conferred upon them by the Consent Decree and by this Trust Agreement. In particular, by way of example only, the Corporate Trustees may employ attorneys, accountants, custodians, engineers, contractors, clerks, investment counsel and agents or employees as they shall deem advisable and to make such payments, including payments for services of Special Masters of the United States Courts or any other relevant judicial officers, therefor as they shall deem reasonable for the implementation of the purposes of this Trust. The Corporate Trustees shall have the absolute right to dismiss any such agent, employee or professional for any reason or for no reason.

4.02: DISTRIBUTION OF FUNDS DURING LIFE OF THE TRUST. The Corporate Trustees, consistent with Paragraph V.D. of the Consent Decree, may at any time, direct the Financial Trustee to distribute funds from the Trust Fund to the Donors and the United States, to the extent that the fund has accumulated more funds than will be reasonably necessary to perform the work and to fulfill all of the obligations of the Donors under the Consent Decree. Such distributions, if any, shall not relieve the Donors of their payment responsibilities under the Consent Decree. The distributions among Donors shall be in proportion to their respective contributions to the Trust Fund up to the time of the distribution.

4.03: AUTHORITY TO REPRESENT DONORS. The Corporate Trustees shall have the authority to represent Donors with regard to any matter concerning this Trust or its purpose before any Federal, State, or local agency or authority which has authority or attempts to exercise authority over the Work required by the Consent Decree or over any matter which concerns the Consent Decree or this Trust Agreement. This authority may be delegated by the Corporate Trustees to such persons as the Corporate Trustees so designate. With regard to any such matter, each Donor reserves the right to express its own position and, if Donor states a position contrary to

that of the Corporate Trustees, the Corporate Trustees shall not be considered to be representing that Donor on that matter.

4.04: ADVISORY COMMITTEES AND DONORS' COMMITTEE.

(a) The Corporate Trustees shall have the power to establish advisory committees composed of representatives of Donors to serve for such periods of time and for such purposes as the Corporate Trustees shall determine.

(b) There shall be established a Donors' Committee comprised of those Donors who volunteer in writing to the Corporate Trustees to serve on the Committee. Such Donors shall remain on the Committee until they resign in writing to the Corporate Trustees. The members of such Committee shall serve without compensation from the Trust.

(c) The purpose of the Donors' Committee is to provide advice and consultation to the Corporate Trustees on issues of substantial importance to the Donors. To aid this purpose, the Corporate Trustees shall, in connection with the monthly accounting under Section 3.07, inform the Donors of those significant decisions or events which the Corporate Trustees reasonably anticipate will have to be made or will occur in the succeeding months. If a Donor has any comments regarding such future decisions or events, the Donor may express them in a timely manner to the Corporate Trustees, the Donors' Committee, or both. The Donors' Committee may at its option review the matter and timely provide its advice and comments on such future decisions or events to the Corporate Trustees for their consideration in reaching a decision. The Corporate Trustees shall consider such advice and comments in good faith.

(d) With respect to the following categories of actions, the Corporate Trustees shall inform the Donors' Committee of the action under consideration and solicit and advice of the Donors' Committee before taking the action, unless the circumstances do not reasonably allow sufficient time for such consultation.

- (i) Petitioning the Court, the United States Environmental Protection Agency, or the Washington State Department of Ecology concerning matters arising pursuant to the Consent Decree;
- (ii) Invoking the Dispute Resolution Clause (Paragraph XXII) of the Consent Decree;

- (iii) Executing major contracts for performance of the Work, which are expected to exceed \$2 million in cost;
- (iv) Making calls for additions to the Trust Estate under Section 2.03;
- (v) Commencing litigation, except for actions to enforce the payment obligations of a Donor under this Trust Agreement; and
- (vi) Taking or proposing Conditionally Required Actions under Section IV.E of Appendix B to the Consent Decree.

4.05: INSTITUTION OF LITIGATION. The Corporate Trustees shall have the power to institute litigation in the name of the Trust, on behalf of or in the name of all Donors against any Donor which fails to make any payments required under this Agreement or under the Consent Decree. Donors, by agreeing to this Agreement, assign their right to such claims to the Trustees and authorize the Trustees to file suit in the name of the Trust.

4.06: PERMITS. The Corporate Trustees shall have the power to apply for the issuance, assignment, or renewal of all necessary environmental permits and to comply with all obligations under such permits.

4.07: PETITIONING OF THE COURT AND RELEVANT ADMINISTRATIVE AGENCIES AND INVOCATION OF DISPUTE RESOLUTION: Any one of the Corporate Trustees may petition the Court or the United States Environmental Protection Agency or the State of Washington Department of Ecology concerning matters arising pursuant to the Consent Decree. In particular, any one of the Corporate Trustees may invoke the Dispute Resolution Clause (Paragraph XXII) of the Consent Decree.

4.08: DELEGATION OF MINISTERIAL POWERS. The Corporate Trustees shall have the power to delegate to other persons such ministerial powers and duties as they may deem to be advisable.

4.09: POWERS OF TRUSTEES TO CONTINUE UNTIL FINAL DISTRIBUTION. The Corporate Trustees shall have the power to exercise any of such powers after the date on which the principal and income of the Trust Fund shall have become distributable and until such time as the entire principal of, and income from, the Trust Fund shall have been actually distributed by the Financial Trustee. It is intended that

distribution of the Trust Fund will occur as soon as possible upon termination of the Trust.

FIFTH: FINANCIAL TRUSTEE.

5.01: ACCEPTANCE OF THE TRUSTS. The Financial Trustee hereby accepts the trusts imposed on it by this Agreement, and agrees to perform said trusts as would an ordinarily prudent trustee, but only upon and subject to the following express terms and conditions:

(a) The Financial Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Financial Trustee.

(b) The Financial Trustee may execute any of the trusts or powers hereof and perform any other duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standards specified above, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay from the Trust Estate such reasonable compensation to all such attorneys, agents and receivers as may reasonably be employed in connection with the trusts hereof. The Financial Trustee may act upon the opinion or advice of any attorneys approved by the Financial Trustee in the exercise of reasonable care. The Financial Trustee shall not be responsible for any loss or damage resulting from any action or nonaction taken in good faith in reliance upon such opinion or advice.

(c) The Financial Trustee shall not be responsible for any recital herein, or for the validity of the execution by the Donors or the Corporate Trustees of this Agreement or of any supplements hereto or instruments of further assurance, or for the sufficiency of the Trust Estate. The Financial Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Donors or on the part of the Corporate Trustees under this Agreement.

(d) The Financial Trustee shall not be accountable for the use of any funds disbursed by it at the direction of the Corporate Trustees.

(e) The Financial Trustee shall be protected in acting under any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document

believed to be genuine and correct and to have been signed or sent by the Corporate Trustees. Any action taken by the Financial Trustee pursuant to this Agreement upon the request or authority or consent of the Corporate Trustees shall be conclusive and binding upon all future Corporate Trustees.

(f) The permissive right of the Financial Trustee to do things enumerated in this Agreement shall not be construed as a duty and it shall not be answerable for other than its negligence or willful misconduct.

(g) The Financial Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(h) Before taking any action hereunder, the Financial Trustee may require that satisfactory indemnity bond or other indemnity satisfactory to the Financial Trustee be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(i) All monies received by the Financial Trustee until used or applied or invested as herein provided, shall be held in trust for the purposes for which they were received but need not be segregated from other funds.

(j) No provision of this Agreement shall require the Financial Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(k) If any controversy arises between the parties hereto or with any third person, the Financial Trustee shall not be required to determine the same or to take any action in the premises, but in its sole discretion may institute such interpleader or other proceedings in connection therewith as it may deem proper, and in following either course, it shall not be liable.

5.02: INDEMNIFICATION. Notwithstanding the provisions of Sections 3.02 and 3.08 hereof, the Donors and the Corporate Trustees separately and jointly indemnify the Financial Trustee against any and all liabilities except those resulting from its negligence or willful misconduct. The parties hereto agree that the Financial Trustee may use



funds in the Trust Estate to reimburse itself for any such liabilities.

5.03: RESPONSIBILITIES OF THE FINANCIAL TRUSTEE.

The Financial Trustee shall accept, hold, and disburse funds in the Trust Estate only at the direction of the Corporate Trustees. Directions of the Corporate Trustees shall be in writing and shall be executed by representatives of a majority of the Corporate Trustees appointed in that capacity at the time such direction is delivered to the Financial Trustee, provided that no such direction shall be valid unless the representative of Corporate Trustee The Boeing Company shall have executed it.

5.04: INVESTMENT OF TRUST ESTATE AND TAX REPORTING. In the administration of this Trust and of the Trust Fund, the Financial Trustee shall have sole discretion and all powers and authority necessary or available to invest and reinvest the principal and income of the Trust in such property and in such manner as is consistent with the following objectives (in descending order of importance): (1) protect the principal, (2) provide liquidity to meet disbursement requirements, and (3) provide maximum yield consistent with objectives (1) and (2). The sole purpose of this Section 5.04 is to authorize the investment of the Trust Fund (or any part thereof), as may be reasonably prudent pending use of the Trust Fund for the purposes of this Trust. The Financial Trustee shall be responsible for all tax reporting regarding this Trust Fund. In particular, the Financial Trustee shall provide all required tax reporting regarding the Trust Fund to all appropriate Government agencies including the United States Internal Revenue Service and shall accept such direction as is requested by the Corporate Trustees for preparation of all tax reports.

5.05: PRESERVATION OF PRINCIPAL. Notwithstanding any other provision in this Agreement, the Financial Trustee shall at all times hold, manage and invest the assets of this Trust in a manner designed to maximize and preserve the income and principal of this Trust for the purposes of this Trust.

SIXTH: MISCELLANEOUS.

6.01: HEADINGS. The section headings set forth in this Agreement and the Table of Contents are inserted for convenience of reference only and shall be disregarded in the construction or interpretation of any of the provisions of this Agreement.

6.02: PARTICULAR WORDS. Any word contained in the text of this Agreement shall be read as the singular or plural and as the masculine, feminine or neuter as may be applicable or permissible in the particular context. Unless otherwise specifically stated, the word "person" shall be taken to mean and include an individual, partnership, association, company or corporation.

6.03: SEVERABILITY OF PROVISIONS. If any provision of this Agreement or its application to any person or entity or in any circumstances shall be invalid and unenforceable, the application of such provision to persons or entities and in circumstances other than those as to which it is invalid or unenforceable and the other provisions of this Agreement, shall not be affected by such invalidity or unenforceability.

6.04: NOTICES UNDER AGREEMENT. Any notice required by this Agreement to be given to the Donors or the Corporate Trustees shall be deemed to have been properly given when mailed, postage prepaid, by registered or certified mail, to the person to be notified as set forth by the Donor at the time of making its contributions. Any Donor may change that person or address by delivering notice thereof in writing to the Corporate Trustees. Any notice required by this Agreement to be delivered to any other person or entity shall be deemed to have been properly delivered when mailed, postage prepaid, by registered or certified mail, to the person to be notified at the last known address of such person or entity, according to the records of the one giving the notice.

6.05: COUNTERPARTS OF AGREEMENT. This Agreement has been executed for the convenience of the parties hereto in counterparts, any one of which for all purposes shall be deemed to have the status of an executed original.

6.06: GOVERNING JURISDICTION. This Trust is a State of Washington trust and all questions pertaining to its validity, construction and administration shall be determined in accordance with the laws thereof. However, the Trustees may, at any time and upon the written approval of a majority of Donors, change the situs of this Trust to another jurisdiction; in that event, this Trust shall cease to be a Trust organized and administered under the laws of the State of Washington and shall thereafter be administered in accordance with the laws of the new governing jurisdiction.

6.07: MISCELLANEOUS. It is intended that the Trust be treated as a grantor trust for federal income tax purposes and that each Donor hereof shall be treated as the owner of that portion of the Trust as their contributions to the Trust

bear to all contributions to the Trust. The Trust shall operate on an accounting year which coincides with the calendar year, January 1 through December 31.

IN WITNESS WHEREOF, the undersigned, as Donors, and the undersigned, as Trustees, have as of the day and year first above written, set their hands and seals to this Agreement.

ACCEPTANCE:

The Boeing Company  
(Corporate Trustee)

By: \_\_\_\_\_

Title: \_\_\_\_\_

Seattle-First National Bank  
(Financial Trustee)

By: \_\_\_\_\_

Title: \_\_\_\_\_

YVONNE DONOVANVILLE  
TRUST-OFFICER  
SEATTLE-FIRST NATIONAL BANK

Donors:

Identified in Exhibit A. Signature page for each Donor is attached hereto.

EXHIBIT A

List of Consenting Defendants  
to Trust Agreement for  
Western Processing Subsurface Cleanup

Acme Inter-City Freightlines  
Advance Electroplating Inc.  
Advance Hard Chrome Inc.  
Aero Services Inc.  
AKI (Automix Keyboards Inc.)  
Alaskan Copper Works  
Alcan Canada Products Ltd.  
American Boiler Works  
American Can U.S.  
American Tar  
Amfac Fluid Power  
AT&T Technologies Inc.  
Atlantic Richfield  
Auto Warehousing Co.  
Avtech Corp.  
B.C. Ferry Corp.  
Bayliner Marine Corp.  
Bellevue School District  
Bemis Co., Inc.  
Bethlehem Steel  
Borden Chemicals-Western Division  
Borg Warner - York Div.  
Burlington High School  
Calgon Corp.  
Cam Industries Inc.  
Cascade Plating Co.  
Cascade Pole Co.  
Champion International (St. Regis)  
Chemcentral/Seattle  
Chevron Inc.  
Chromium Co., Inc.  
Circuit Services  
City of Sumner (Fire Dept.)  
Color Your World/Tonecraft  
Container Corporation of America  
Data I/O Corp.  
Dow Chemical Inc.  
Dresser Industries (Magcobar)  
Economics Laboratory  
EMF Corp.  
Evergreen Industries  
Exxon Co.  
Farster Construction  
Federal Transfer Co.  
Fentron Industries (Criton)  
Finishing Unlimited  
Flow Industries (Flow Research)

Freight Speed Inc.  
Fruehauf Trailer Div.  
Futura Home Products - Colortrym  
G.M. Nameplate Inc.  
General Electric  
General Plastics Mfg. Co.  
Geo. A. Hormel and Co.  
Greyhound Corp. (Purex)  
Guardman Chemicals Inc.  
H.W. Blackstock Co.  
Harold Lemay Enterprises  
Harry Lunstead Designs  
Heath Tecna (Criton Corp)  
Highline Community College  
Hitco  
Honeywell Corp.  
Hygrade Food Products  
Hytec Inc.  
Hytek Finishes Co. (Heath Plating)  
Industrial Plating Corp.  
Inmont Co.  
Intalco Aluminum Corp.  
J. H. Baxter  
J. M. Martinac Shipbuilding  
Jarvie Paint  
John Fluke Mfg. Co.  
Joseph Simon & Sons Inc.  
K.M.E. Manufacturing Inc.  
Kent School Dist. #415  
L.F.R. Knudsen Co.  
Lake Union Drydock  
Lawrence Electronics  
Leber Ink Co., Inc.  
Lynden Transport Inc.  
Mannesman Tally Corp.  
Marine Industries Northwest  
Marine Iron Inc.  
McCall Oil & Chemical Corp.  
Metal Finishers Inc.  
Metal Marine Pilot Corp.  
Metro Seattle  
Mobil Oil Co.  
Monsanto  
Morton Thiokol, Inc.  
Mth Finishers Inc.  
National Can Corp.  
National Paper Box  
Nemco Electric Co.  
Northwest Metal Products  
Northwest Molded Products  
Northwest Plating Co.  
Nuclear Pacific Inc.  
Occidental Chemical Corp.  
Okanogan Helicopters Ltd.

Omark  
Owens Corning Fiberglass  
Oxygen Sales  
Pacific Car & Foundry Co.  
Pacific Metallurgical Inc.  
Pacific Propeller Co.  
Pacific Western Airlines  
Pacific Western Eng. Corp.  
Pennwalt Corp.  
Physio Control  
Pirelli Cables Ltd.  
Pittsburgh Testing Laboratory  
Precision Engineering  
Purolator Courier Corp.  
Quality Finishing Inc.  
R. W. Rhine Inc.  
Ratelco Inc.  
Red Dot Corp.  
Renton Issaquah Auto Freight  
Resource Recovery Inc.  
Reynolds Metals Co.  
Rhone-Poulenc Inc.  
Rics Transfer Co., Inc.  
Ridgway Packaging Corp.  
Rocket Research Co.  
Rudd Co.  
Safety Kleen Corp.  
Sammina Corp.  
Santa Clara Circuits  
Scott Paper Co.  
Seattle Disposal  
Seattle Times  
Shell Oil Co.  
Simpson Timber Co.  
Sound Casket  
Sound Delivery Service  
Sperry Flight Systems  
State of Wash. - Dept. of Labor  
State of Wash. - DNR  
Steel Products  
Stuart Auto Products  
Sundstrand Data Control  
Surftech Finishes  
Tacoma Moving & Storage  
Tam Engineering  
Taylors Auto Body  
Tektronix Inc.  
Tel Tone  
The Austin Co.  
The Barthel Co. (Norcore)  
The Boeing Co.  
The Chemithon Corp.  
The Flecto Co., Inc.  
The Furniture Bath

The Pittsburgh & Midway Coal  
Todd Pacific Shipyards  
Transco N.W. Inc. (Acme Metals)  
Tri Way Industries  
Tyee Aircraft  
U.S. Coast Guard \*  
U.S. Dept. of Agriculture-Forestry Science Lab \*  
U.S. Dept. of Air Force \*  
U.S. Dept. of Army - Corps of Engineers \*  
U.S. Dept. of Navy \*  
U.S. Oil & Refining  
U.S. Public Health Hospital \*  
U.T. Barge Co.  
United Drain Oil  
United Services, Inc.  
Universal Paint  
Universal Plastics  
University of Oregon  
University of Puget Sound  
University of Washington  
Valley Enamel  
Valley Medical Center  
Van Vetter Inc.  
Van Waters & Rogers  
Vanport Industries Inc.  
W.E.S. Plastics  
W.R. Grace & Co.  
Western Furnaces  
Western Gear Corp.  
Western Pneumatic Tube  
Western Wood Preserving Co.  
Weyerhaeuser Corp.  
Williams Machinery, Ltd.  
Zehrunge Chemical  
Zepeda Instruments

\* Final approval and signature not yet received  
from the U.S. Government.

## PHASE II PAYMENT OBLIGATIONS

| PHASE II DONOR                | PHASE I<br>COMMITMENT:SEE NOTE 1 | PHASE II<br>COMMITMENT<br>SEE NOTE 2 | TOTAL<br>COMMITTED | ***** CREDITS<br>PHASE I BENEFIT<br>SEE NOTE 4 | SEE NOTE 3<br>OTHER<br>SEE NOTE 5 |
|-------------------------------|----------------------------------|--------------------------------------|--------------------|--|-----------------------------------|
| ACME INTER-CITY FREIGHTLINES  | 0                                | 120.00                               | 120.00             | -2.70  | 0                                 |
| ADVANCE ELECTROPLATING INC.   | 839.60                           | 7,643.18                             | 8,482.78           | -172.25  | 0                                 |
| ADVANCE HARD CHROME INC.      | 0                                | 164.23                               | 164.23             | -3.70  | 0                                 |
| AIRO SERVICES INC.            | 10,512.13                        | 96,936.83                            | 107,448.96         | -2,184.58                                      | 0                                 |
| AKI (AUTOMIX KEYBOARDS INC)   | 0                                | 694.83                               | 694.83             | -15.66   | 0                                 |
| ALASKAN COPPER WORKS          | 14,890.88                        | 57,961.83                            | 72,852.71          | -1,306.24                                      | 0                                 |
| ALCAN CANADA PRODUCTS LTD.    | 0                                | 7,327.35                             | 7,327.35           | -165.13  | 0                                 |
| AMERICAN BOILER WORKS         | 0                                | 555.87                               | 555.87             | -12.53   | 0                                 |
| AMERICAN CAN U.S.             | 0                                | 141.49                               | 141.49             | -3.19  | 0                                 |
| AMERICAN TAR                  | 0                                | 34,463.79                            | 34,463.79          | -776.68  | 0                                 |
| AMFAC FLUID POWER             | 0                                | 3,057.27                             | 3,057.27           | -68.90   | 0                                 |
| AT&T TECHNOLOGIES INC.        | 0                                | 4,042.67                             | 4,042.67           | -91.11   | 0                                 |
| ATLANTIC RICHFIELD            | 0                                | 160,221.27                           | 160,221.27         | -3,610.77                                      | 0                                 |
| AUTO WAREHOUSING CO.          | 418.73                           | 1,389.67                             | 1,808.40           | -31.32   | 0                                 |
| AVTECH CORP.                  | 0                                | 4,105.84                             | 4,105.84           | -92.53   | 0                                 |
| B.C. FERRY CORP.              | 0                                | 30,825.39                            | 30,825.39          | -694.69  | 0                                 |
| BAYLINER MARINE CORP.         | 0                                | 1,945.54                             | 1,945.54           | -43.84   | 0                                 |
| BELLEVUE SCHOOL DIST. *       | 0                                | 0                                    | 0                  | 0  | 0                                 |
| BEMIS CO., INC.               | 0                                | 15,804.33                            | 15,804.33          | -356.17  | 0                                 |
| BETHLEHEM STEEL               | 0                                | 845,755.14                           | 845,755.14         | -19,060.05                                     | 0                                 |
| BORDEN CHEMICALS-WESTERN DIV. | 0                                | 43,799.84                            | 43,799.84          | -987.08  | 0                                 |
| BORG WARNER-YORK DIV.         | 0                                | 4,371.14                             | 4,371.14           | -98.51   | 0                                 |
| BURLINGTON HIGH SCHOOL        | 0                                | 2.53                                 | 2.53               | -.06   | 0                                 |
| CALGON CORP.                  | 0                                | 3,107.81                             | 3,107.81           | -70.04   | 0                                 |
| CAM INDUSTRIES INC.           | 0                                | 31,952.28                            | 31,952.28          | -720.08  | 1,560.00                          |
| CASCADE PLATING CO.           | 0                                | 9,133.92                             | 9,133.92           | -205.84  | 0                                 |
| CASCADE POLE CO.              | 0                                | 11,370.02                            | 11,370.02          | -256.24  | 0                                 |
| CHAMPION INT'L (ST. REGIS)    | 0                                | 94,017.43                            | 94,017.43          | -2,118.79                                      | 4,590.00                          |
| CHEMCENTRAL/SEATTLE           | 0                                | 10,978.39                            | 10,978.39          | -247.41  | 0                                 |
| CHEVRON INC.                  | 0                                | 317,349.89                           | 317,349.89         | -7,151.84                                      | 15,494.47                         |
| CHROMIUM CO., INC.            | 0                                | 21,135.60                            | 21,135.60          | -476.31  | 0                                 |
| CIRCUIT SERVICES              | 0                                | 833.80                               | 833.80             | -18.79   | 0                                 |
| CITY OF SUMNER (FIRE DEPT.)   | 0                                | 55.59                                | 55.59              | -1.25  | 0                                 |
| COLOR YOUR WORLD/TONECRAFT    | 0                                | 31,545.49                            | 31,545.49          | -710.91  | 0                                 |
| CONTAINER CORP OF AMERICA     | 0                                | 6,392.48                             | 6,392.48           | -144.06  | 0                                 |
| DATA I/O CORP.                | 0                                | 44,418.88                            | 44,418.88          | -1,001.03                                      | 0                                 |
| DOW CHEMICAL INC.             | 0                                | 316,604.98                           | 316,604.98         | -7,135.05                                      | 0                                 |
| DRESSER INDUSTRIES (MAGCOBAR) | 0                                | 2,956.21                             | 2,956.21           | -66.62   | 0                                 |
| ECONOMICS LABORATORY          | 371.10                           | 8,931.78                             | 9,302.88           | -201.29  | 0                                 |
| EMF CORP.                     | 0                                | 416.90                               | 416.90             | -9.40  | 0                                 |
| EVERGREEN INDUSTRIES          | 304.53                           | 1,010.67                             | 1,315.20           | -22.78   | 0                                 |



## PHASE II PAYMENT OBLIGATIONS

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|--------------------------------|----------------------------------|--------------------------------------|--------------------|--|---|
| EXXON CO.                      | 0                                | 19,708.03                            | 19,708.03          | -444.14  | 0                                       |
| FARSTER CONSTRUCTION           | 0                                | 1,010.67                             | 1,010.67           | -22.78   | 0                                       |
| FEDERAL TRANSFER CO.           | 0                                | 222.87                               | 222.87             | -5.02  | 0                                       |
| FENTRON INDUSTRIES (CRITON)    | 0                                | 5,975.58                             | 5,975.58           | -134.67  | 0                                       |
| FINISHING UNLIMITED            | 0                                | 1,389.67                             | 1,389.67           | -31.32   | 0                                       |
| FLOW INDUSTRIES(FLOW RESEARCH) | 0                                | 164.23                               | 164.23             | -3.70  | 0                                       |
| FREIGHT SPEED INC.             | 0                                | 1,895.00                             | 1,895.00           | -42.71   | 0                                       |
| FRUEHAUF TRAILER DIV.          | 0                                | 277.93                               | 277.93             | -6.26  | 0                                       |
| FUTURA HOME PRODUCTS-COLORTRYM | 0                                | 31,532.86                            | 31,532.86          | -710.63  | 0                                       |
| G.M. NAMEPLATE INC.            | 10,229.58                        | 33,949.25                            | 44,178.83          | -765.08  | 0                                       |
| GENERAL ELECTRIC               | 0                                | 98,375.94                            | 98,375.94          | -2,217.01                                      | 4,803.00                                |
| GENERAL PLASTICS MFG. CO.      | 0                                | 138.97                               | 138.97             | -3.13  | 0                                       |
| GEO. A. HORMEL AND CO.         | 0                                | 1,061.20                             | 1,061.20           | -23.92   | 0                                       |
| GREYHOUND CORP. (PUREX)        | 0                                | 18,697.37                            | 18,697.37          | -421.37  | 0                                       |
| GUARDSMAN CHEMICALS INC.       | 0                                | 5,975.58                             | 5,975.58           | -134.67  | 0                                       |
| H.W. BLACKSTOCK CO.            | 0                                | 555.87                               | 555.87             | -12.53   | 0                                       |
| HAROLD LEMAY ENTERPRISES       | 31.08                            | 133.10                               | 164.18             | -3.00  | 0                                       |
| HARRY LUNSTEAD DESIGNS         | 502.48                           | 1,667.60                             | 2,170.08           | -37.58   | 0                                       |
| HEATH TECNA (CRITON CORP)      | 0                                | 49,709.73                            | 49,709.73          | -1,120.27                                      | 0                                       |
| HIGHLINE COMMUNITY COLLEGE     | 0                                | 2,114.82                             | 2,114.82           | -47.66   | 0                                       |
| HITCO                          | 0                                | 5,836.61                             | 5,836.61           | -131.53  | 0                                       |
| HONEYWELL CORP.                | 0                                | 2,551.94                             | 2,551.94           | -57.51   | 0                                       |
| HYGRADE FOOD PRODUCTS *        | 0                                | 0                                    | 0                  | 0  | 0                                       |
| HYTEC INC.                     | 0                                | 15,842.23                            | 15,842.23          | -357.02  | 0                                       |
| HYTEK FINISHES CO (HEATH PLATI | 0                                | 4,446.94                             | 4,446.94           | -100.22  | 0                                       |
| INDUSTRIAL PLATING CORP.       | 0                                | 12,633.36                            | 12,633.36          | -284.71  | 0                                       |
| INMONT CO.                     | 0                                | 555.87                               | 555.87             | -12.53   | 0                                       |
| INTALCO ALUMINUM CORP.         | 2,664.65                         | 8,843.35                             | 11,508.00          | -199.29  | 0                                       |
| J.H. BAXTER                    | 3,806.65                         | 12,633.36                            | 16,440.00          | -284.71  | 0                                       |
| J.M. MARTINAC SHIPBUILDING     | 0                                | 12,052.22                            | 12,052.22          | -271.61  | 0                                       |
| JARVIE PAINT                   | 0                                | 22,234.71                            | 22,234.71          | -501.08  | 0                                       |
| JOHN FLUKE MFG. CO.            | 0                                | 657,174.51                           | 657,174.51         | -14,810.17                                     | 32,086.00                               |
| JOSEPH SIMON & SONS INC.       | 0                                | 62,140.95                            | 62,140.95          | -1,400.42                                      | 0                                       |
| K.M.E. MANUFACTURING INC.      | 0                                | 42,339.43                            | 42,339.43          | -954.17  | 0                                       |
| KENT SCHOOL DIST. #415         | 0                                | 30.32                                | 30.32              | -.68   | 0                                       |
| L.F.R. KNUDSEN CO.             | 41.87                            | 138.97                               | 180.84             | -3.13  | 0                                       |
| LAKE UNION DRYDOCK             | 0                                | 1,680.24                             | 1,680.24           | -37.87   | 0                                       |
| LAWRENCE ELECTRONICS           | 0                                | 336.05                               | 336.05             | -7.57  | 0                                       |
| LEBER INK CO., INC.            | 0                                | 3,537.34                             | 3,537.34           | -79.72   | 0                                       |
| LYNDEN TRANSPORT INC.          | 477.14                           | 2,043.19                             | 2,520.33           | -46.05   | 0                                       |
| MANNESMAN TALLY CORP.          | 0                                | 10,518.53                            | 10,518.53          | -237.05  | 0                                       |
| MARINE INDUSTRIES NORTHWEST    | 0                                | 821.17                               | 821.17             | -18.51   | 0                                       |
| MARINE IRON INC.               | 0                                | 416.90                               | 416.90             | -9.40  | 0                                       |

## PHASE II PAYMENT OBLIGATIONS

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|-------------------------------|----------------------------------|--------------------------------------|--------------------|--|--|
| MASTERCRAFT METALS FINISHING  | 0                                | 1,566.54                             | 1,566.54           | -35.30   | 0                                      |
| MCCALL OIL & CHEM. CORP.      | 0                                | 11,458.45                            | 11,458.45          | -258.23  | 0                                      |
| METAL FINISHERS INC.          | 2,636.28                         | 8,761.46                             | 11,397.73          | -197.45  | 0                                      |
| METAL MARINE PILOT CORP.      | 0                                | 1,667.60                             | 1,667.60           | -37.58   | 0                                      |
| METRO SEATTLE                 | 0                                | 1,250.70                             | 1,250.70           | -28.19   | 0                                      |
| MOBIL OIL CO.                 | 0                                | 184,851.26                           | 184,851.26         | -4,165.83                                      | 0                                      |
| MONSANTO                      | 0                                | 9,955.08                             | 9,955.08           | -224.35  | 0                                      |
| MORTON THIOKOL, INC.          | 0                                | 324,245.17                           | 324,245.17         | -7,307.23                                      | 15,831.00                              |
| MTH FINISHERS INC.            | 0                                | 2,324.54                             | 2,324.54           | -52.39   | 0                                      |
| NATIONAL CAN CORP.            | 0                                | 56,162.84                            | 56,162.84          | -1,265.69                                      | 2,742.00                               |
| NATIONAL PAPER BOX            | 2,055.59                         | 6,822.01                             | 8,877.60           | -153.74  | 0                                      |
| NEMCO ELECTRIC CO.            | 0                                | 416.90                               | 416.90             | -9.40  | 0                                      |
| NORTHWEST METAL PRODUCTS      | 0                                | 30,774.85                            | 30,774.85          | -693.55  | 0                                      |
| NORTHWEST MOLDED PRODUCTS     | 0                                | 17,674.06                            | 17,674.06          | -398.31  | 0                                      |
| NORTHWEST PLATING CO.         | 0                                | 12,683.89                            | 12,683.89          | -285.85  | 0                                      |
| NUCLEAR PACIFIC INC.          | 0                                | 555.87                               | 555.87             | -12.53   | 0                                      |
| OCCIDENTAL CHEMICAL CORP.     | 0                                | 71,868.63                            | 71,868.63          | -1,619.64                                      | 0                                      |
| OKANOGAN HELICOPTERS LTD.     | 0                                | 3,790.01                             | 3,790.01           | -85.41   | 0                                      |
| OMARK                         | 0                                | 9,171.82                             | 9,171.82           | -206.70  | 0                                      |
| OWENS CORNING FIBERGLASS      | 0                                | 8,060.08                             | 8,060.08           | -181.64  | 0                                      |
| OXYGEN SALES                  | 0                                | 113.70                               | 113.70             | -2.56  | 0                                      |
| PACIFIC CAR & FOUNDRY CO.     | 0                                | 72,601.37                            | 72,601.37          | -1,636.15                                      | 0                                      |
| PACIFIC METALLURGICAL INC.    | 0                                | 833.80                               | 833.80             | -18.79   | 0                                      |
| PACIFIC PROPELLER CO.         | 14,930.09                        | 233,196.58                           | 248,126.67         | -5,255.35                                      | 11,386.00                              |
| PACIFIC WESTERN AIRLINES      | 0                                | 3,790.01                             | 3,790.01           | -85.41   | 0                                      |
| PACIFIC WESTERN ENG. CORP.    | 813.86                           | 2,701.01                             | 3,514.87           | -60.87   | 0                                      |
| PENNWALT CORP.                | 0                                | 6,316.68                             | 6,316.68           | -142.35  | 0                                      |
| PHYSIO CONTROL                | 0                                | 366.37                               | 366.37             | -8.26  | 0                                      |
| PIRELLI CABLES LTD.           | 0                                | 3,032.01                             | 3,032.01           | -68.33   | 0                                      |
| PITTSBURGH TESTING LABORATORY | 0                                | 277.93                               | 277.93             | -6.26  | 0                                      |
| PRECISION ENGINEERING         | 0                                | 1,452.84                             | 1,452.84           | -32.74   | 0                                      |
| PUROLATOR                     | 1.09                             | 4.68                                 | 5.77               | -.11   | 0                                      |
| QUALITY FINISHING INC.        | 0                                | 1,945.54                             | 1,945.54           | -43.84   | 0                                      |
| R.W. RHINE INC.               | 0                                | 3,790.01                             | 3,790.01           | -85.41   | 0                                      |
| RATELCO INC.                  | 0                                | 2,582.26                             | 2,582.26           | -58.19   | 0                                      |
| RED DOT CORP.                 | 0                                | 32,581.42                            | 32,581.42          | -734.26  | 0                                      |
| RENTON ISSAQUAH AUTO FREIGHT  | 436.38                           | 1,868.64                             | 2,305.02           | -42.11   | 0                                      |
| RESOURCE RECOVERY INC.        | 7,046.66                         | 30,437.54                            | 37,484.20          | -685.94  | 0                                      |
| REYNOLDS METALS CO.           | 0                                | 2,223.47                             | 2,223.47           | -50.11   | 0                                      |
| RHONE-POULENC INC.            | 0                                | 45,480.08                            | 45,480.08          | -1,024.95                                      | 0                                      |
| RICS TRANSFER CO., INC.       | 127.27                           | 1,540.32                             | 1,667.59           | -34.71   | 0                                      |
| RIDGWAY PACKAGING CORP.       | 0                                | 19,569.07                            | 19,569.07          | -441.01  | 0                                      |
| ROCKET RESEARCH CO.           | 0                                | 5,624.37                             | 5,624.37           | -126.75  | 0                                      |

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| PHASE II DONOR                 | PHASE I<br>COMMITMENT:SEE NOTE 1 | PHASE II<br>COMMITMENT<br>SEE NOTE 2 | TOTAL<br>COMMITTED | ***** CREDITS<br>PHASE I BENEFIT<br>SEE NOTE 4 | SEE NOTE 3 ****<br>OTHER<br>SEE NOTE 5 |
|--------------------------------|----------------------------------|--------------------------------------|--------------------|--|--|
| RUDD CO.                       | 0                                | 11,584.79                            | 11,584.79          | -261.08  | 0                                      |
| SAFETY KLEEN CORP.             | 0                                | 57,026.97                            | 57,026.97          | -1,285.17                                      | 2,784.00                               |
| SANMINA CORP.                  | 0                                | 32,379.29                            | 32,379.29          | -729.70  | 0                                      |
| SANTA CLARA CIRCUITS           | 0                                | 2,223.47                             | 2,223.47           | -50.11   | 0                                      |
| SCOTT PAPER CO.                | 0                                | 1,516.00                             | 1,516.00           | -34.16   | 0                                      |
| SEATTLE DISPOSAL               | 247.85                           | 1,061.34                             | 1,309.19           | -23.92   | 0                                      |
| SEATTLE TIMES                  | 0                                | 81,952.58                            | 81,952.58          | -1,846.89                                      | 0                                      |
| SHELL OIL CO.                  | 0                                | 32,492.99                            | 32,492.99          | -732.27  | 0                                      |
| SIMPSON TIMBER CO.             | 0                                | 99,235.01                            | 99,235.01          | -2,236.37                                      | 4,845.00                               |
| SOUND CASKET                   | 0                                | 2,198.20                             | 2,198.20           | -49.54   | 0                                      |
| SOUND DELIVERY SERVICE         | 515.06                           | 2,205.59                             | 2,720.65           | -49.71   | 0                                      |
| SPERRY FLIGHT SYSTEMS          | 0                                | 2,362.44                             | 2,362.44           | -53.24   | 0                                      |
| STATE OF WASH-DEPT OF LABOR *  | 0                                | 0                                    | 0                  | 0  | 0                                      |
| STATE OF WASH-DNR              | 0                                | 5,215.05                             | 5,215.05           | -117.53  | 0                                      |
| STEEL PRODUCTS                 | 0                                | 694.83                               | 694.83             | -15.66   | 0                                      |
| STUART AUTO PRODUCTS           | 0                                | 2,084.50                             | 2,084.50           | -46.98   | 0                                      |
| SUNDSTRAND DATA CONTROL        | 0                                | 27,389.11                            | 27,389.11          | -617.24  | 0                                      |
| SURFTECH FINISHES              | 0                                | 2,274.00                             | 2,274.00           | -51.25   | 0                                      |
| TACOMA MOVING & STORAGE        | 60.05                            | 257.15                               | 317.20             | -5.80  | 0                                      |
| TAM ENGINEERING                | 0                                | 3,891.07                             | 3,891.07           | -87.69   | 0                                      |
| TAYLORS AUTO BODY              | 0                                | 2,526.67                             | 2,526.67           | -56.94   | 0                                      |
| TEKTRONIX INC.                 | 0                                | 12,633.36                            | 12,633.36          | -284.71  | 0                                      |
| TEL TONE                       | 0                                | 126.33                               | 126.33             | -2.85  | 0                                      |
| THE AUSTIN CO                  | 44.04                            | 188.58                               | 232.62             | -4.25  | 0                                      |
| THE BARTHEL CO. (NORCORE)      | 0                                | 5,887.14                             | 5,887.14           | -132.67  | 0                                      |
| THE BOEING CO.                 | 0                                | 37,186,852.00                        | 37,186,852.00      | 234,409.00                                     | 4,581,432.50                           |
| THE CHEMITHON CORP.            | 0                                | 4,237.23                             | 4,237.23           | -95.49   | 0                                      |
| THE FLECTO CO., INC.           | 0                                | 193,823.46                           | 193,823.46         | -4,368.03                                      | 9,463.00                               |
| THE FURNITURE BATH             | 2,245.92                         | 7,453.68                             | 9,699.60           | -167.98  | 0                                      |
| THE PITTSBURGH & MIDWAY COAL   | 0                                | 2,186,030.33                         | 2,186,030.33       | -49,264.68                                     | 106,732.00                             |
| TODD PACIFIC SHIPYARDS         | 0                                | 100,781.33                           | 100,781.33         | -2,271.22                                      | 4,921.00                               |
| TRANSCO N.W. INC.(ACME METALS) | 19.03                            | 63.17                                | 82.20              | -1.42  | 0                                      |
| TRI WAY INDUSTRIES             | 0                                | 38,380.13                            | 38,380.13          | -864.94  | 0                                      |
| TYEE AIRCRAFT                  | 0                                | 972.77                               | 972.77             | -21.92   | 0                                      |
| U.S. COAST GUARD               | 0                                | 6,731.05                             | 6,731.05           | -151.69  | 0                                      |
| U.S. DEPT OF AGRI-FOR SCI LAB* | 0                                | 0                                    | 0                  | 0  | 0                                      |
| U.S. DEPT OF AIR FORCE         | 0                                | 3,057.27                             | 3,057.27           | -68.90   | 0                                      |
| U.S. DEPT OF ARMY-CORPS OF ENG | 0                                | 8,365.81                             | 8,365.81           | -188.53  | 0                                      |
| U.S. DEPT OF NAVY              | 0                                | 1,012,467.42                         | 1,012,467.42       | -22,817.10                                     | 200,000.00                             |
| U.S. OIL & REFINING            | 0                                | 34,110.06                            | 34,110.06          | -768.71  | 0                                      |
| U.S. PUBLIC HEALTH HOSPITAL *  | 0                                | 0                                    | 0                  | 0  | 0                                      |
| U.T. BARGE CO.                 | 0                                | 8,843.35                             | 8,843.35           | -199.29  | 0                                      |
| UNITED DRAIN OIL               | 982.67                           | 4,207.94                             | 5,190.61           | -94.83   | 0                                      |

## PHASE II PAYMENT OBLIGATIONS

| PHASE II DONOR              | PHASE I<br>COMMITMENT:SEE NOTE 1 | PHASE II<br>COMMITMENT<br>SEE NOTE 2 | TOTAL<br>COMMITTED | ***** CREDITS<br>PHASE I BENEFIT<br>SEE NOTE 4 | SEE NOTE 3 *****<br>OTHER<br>SEE NOTE 5 |
|-----------------------------|----------------------------------|--------------------------------------|--------------------|--|---|
| UNITED SERVICES, INC.       | 109.19                           | 467.55                               | 576.73             | -10.54   | 0                                       |
| UNIVERSAL PAINT             | 0                                | 1,111.74                             | 1,111.74           | -25.05   | 0                                       |
| UNIVERSAL PLASTICS          | 0                                | 189.50                               | 189.50             | -4.27  | 0                                       |
| UNIVERSITY OF OREGON        | 0                                | 3,196.24                             | 3,196.24           | -72.03   | 0                                       |
| UNIVERSITY OF PUGET SOUND   | 0                                | 308.25                               | 308.25             | -6.95  | 0                                       |
| UNIVERSITY OF WASHINGTON    | 0                                | 29,251.27                            | 29,251.27          | -659.21  | 0                                       |
| VALLEY ENAMEL               | 0                                | 1,516.00                             | 1,516.00           | -34.16   | 0                                       |
| VALLEY MEDICAL CENTER       | 0                                | 37.90                                | 37.90              | -.85   | 0                                       |
| VAN VETTER INC.             | 0                                | 1,250.70                             | 1,250.70           | -28.19   | 0                                       |
| VAN WATERS & ROGERS         | 0                                | 27,566.88                            | 27,566.88          | -621.25  | 0                                       |
| VANPORT INDUSTRIES INC.     | 16,216.30                        | 53,818.09                            | 70,034.39          | -1,212.85                                      | 0                                       |
| W.E.S. PLASTICS             | 0                                | 4,724.87                             | 4,724.87           | -106.48  | 0                                       |
| W.R. GRACE & CO.            | 0                                | 9,866.65                             | 9,866.65           | -222.36  | 0                                       |
| WESTERN FURNACES            | 0                                | 851.49                               | 851.49             | -19.19   | 0                                       |
| WESTERN GEAR CORP.          | 0                                | 29,183.05                            | 29,183.05          | -657.67  | 0                                       |
| WESTERN PNEUMATIC TUBE      | 0                                | 1,460,885.84                         | 1,460,885.84       | -32,922.72                                     | 71,327.00                               |
| WESTERN WOOD PRESERVING CO. | 0                                | 6,948.35                             | 6,948.35           | -156.59  | 0                                       |
| WEYERHAEUSER CORP.          | 0                                | 137,898.13                           | 137,898.13         | -3,107.69                                      | 6,732.00                                |
| WILLIAMS MACHINERY, LTD.    | 1,141.99                         | 3,790.01                             | 4,932.00           | -85.41   | 0                                       |
| ZEHRUNG CHEMICAL            | 0                                | 6,316.68                             | 6,316.68           | -142.35  | 0                                       |
| ZEPEDA INSTRUMENTS          | 19.03                            | 63.17                                | 82.20              | -1.42  | 0                                       |
|                             | 94,738.77                        | 47,588,323.82                        | 47,683,062.62      | <.005  | 5,076,728.97                            |

## N O T E S

1. The Phase I commitment is due and payable in full at the same time the first Phase II installment payment is due.
2. Installment payments for Phase II should be computed based on these amounts. The first installment payment, as computed, should then be reduced by any credits shown in other columns.
3. These credits should be applied to reduce the first installment payment.
4. The Phase I benefit is only estimated at this time. It will be adjusted when the Consent Decree is entered, at which time the final cost of Phase I should be able to be estimated quite accurately.
5. These credits include (a) funds already paid to EPA pursuant to the stipulation; (b) Boeing's previous direct payment to technical consultants Dames & Moore and Landau Associates of \$1,417,000; (c) Boeing's payments to date of \$1,556,271.50 to cover costs for the subsurface test program (future payments for the subsurface test program will be made by the Trust Fund); and (d) advance payments from the U.S. Government.